

EXHIBIT 1

B 10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT Eastern District of Virginia		PROOF OF CLAIM
Name of Debtor: Circuit City Stores, Inc.		Case Number: 08-35653
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): De Rito Pavilions 140, LLC		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent: Adam B. Nach, Esq. Lane & Nach, P.C. 2025 N. 3rd Street, Suite 157, Phoenix, Arizona 85004 Telephone number: (602) 258-6000		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
Name and address where payment should be sent (if different from above): See attached Exhibit "A" Telephone number: (602) 553-2949		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ <u>594,334.52</u> If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5). <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a)().
2. Basis for Claim: <u>See Exhibit "A"</u> (See instruction #2 on reverse side.)		Amount entitled to priority: \$ _____ *Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: <u>Store #437</u> (See instruction #3a on reverse side.)		Amount entitled to priority: \$ _____
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate: % _____ Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		Amount entitled to priority: \$ _____
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		Amount entitled to priority: \$ _____
Date: 01/20/2009 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. Adam B. Nach, Esq, Lane & Nach, P.C., attorneys for De Rito Pavilions 140, LLC		FOR COURT USE ONLY

Exhibit "A"
Proof of Claim
Circuit City Stores, Inc, (Case No. 08-35653)
Circuit City Stores West Coast Inc (Case No. 08-35654)

Payment should be sent to:
DE RITO PARTNERS DEVELOPMENT, INC.
Attn: Barbara Kunze
3200 East Camelback Road, Suite 175
Phoenix, AZ 85018
(602)553-2949
(602)381-1981 FAX

De Rito Partners Development, Inc., on behalf of De Rito Pavilions 140, LLC (store #437) 8929 East Indian Bend Road, Scottsdale, AZ submits its claim.

The claim arises out of a lease dated May 24, 1989, executed by Circuit City Stores, Inc., excerpts of which are attached as Exhibit A-1 because of the length of the document.

The obligations under the lease were assigned from Circuit City Stores, Inc., to Circuit City Stores West Coast, Inc., without release, so claims are filed in both the Circuit City Stores, Inc and Circuit City Stores West Coast Inc. proceedings. The Assignment and Assumption of Lease is attached as Exhibit A-2.

Pursuant to 11 U.S.C. §502(b)(6), the following amounts are due:

Pre-petition accrued rent:	\$ 44,006.72
Damages resulting from termination of the lease (11/10/08 – 11/10/09)	<u>\$ 550,327.80</u>
Total :	\$ 594,334.52

Exhibit A-1

scottsd1.lea
Building Pad Lease
Draft 4/25/89

LEASE

THIS LEASE is made as of the 24th day of May, 1989, by and between P.G. DEVELOPMENT II, an Arizona general partnership, having an address at 15600 North Black Canyon Highway, Phoenix, Arizona 85023 (the "Landlord"), and CIRCUIT CITY STORES, INC., a Virginia corporation, having an address at 2040 Thalbro Street, Richmond, Virginia 23230 (the "Tenant").

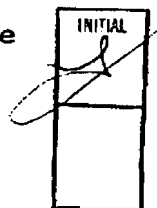
W I T N E S S E T H :

That for and in consideration of the mutual covenants herein contained and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Leased Property. Landlord demises and leases to Tenant and Tenant leases and takes from Landlord, commencing on Landlord's delivery of the "Land" (defined below) to Tenant, all those certain "Premises" consisting of the "Building" and "Improvements" (defined below), as and when same are constructed or renovated, together with that approximately 33,695-square foot parcel (the "Land"), on which the Building and Improvements are or will be located, as more particularly shown (approximately) outlined in red on Exhibit "A" hereto, together with the easements described in paragraph 6 below, all located in the "Shopping Center," which consists of that certain real property, some-

times known as Phase IIA of "Scottsdale Pavilions," with buildings and improvements constructed or to be constructed thereon, located at the southeast corner of Pima Road and Indian Bend Road, lying and being in the County of Maricopa, State of Arizona, and more particularly shown on Exhibit "A." All of the Shopping Center exclusive of the Premises is "Landlord's Premises." The description of the Premises may be adjusted in accordance with Tenant's as-built survey to be attached hereto as Exhibit "A-1" upon completion of the Building (as described in paragraph 2 below). The parties recognize that, as to the Land, this Lease shall be a sublease, Landlord being the ground lessee of the Shopping Center under that certain ground lease (the "Ground Lease") between Landlord and Certain Allotted landowners within the Salt River Pima-Maricopa Indian Community (collectively, the "Ground Lessor").

2. Construction of Building and Improvements. Commencing immediately upon delivery of the Land, Tenant shall have the right to construct thereon certain improvements (the "Improvements"), namely a one-story retail building, containing approximately 33,695 square feet of ground floor space plus mezzanine (for nonretail purposes only), with provisions for customer pickup, delivery and car stereo installation facilities, as shown on the "Concept Plans" (defined below) previously furnished to Landlord, initially and in accordance with paragraph 18 for use as a Circuit City Superstore (the "Building"), together with loading ramps, sidewalks, trash compactor and other such appurtenances, as more particularly set forth in the construction provisions attached hereto as Exhibit "C." The Improvements shall be



WITNESS the following signatures and seals:

LANDLORD:

Arizona general partnership

WITNESS:

By: _____

Its:--General-Partner

TENANT:

CIRCUIT CITY STORES, INC.,
a Virginia corporation

ATTEST:

Susan S. Williams

Asst Secretary

(SEAL)

By: R. B. Cunningham Jr.

Its: Ass't V.P. - Real Estate

PG DEVELOPMENT II, an Arizona
general partnership

By: The William Estes Interests,
Inc., an Arizona corporation

Its: Managing General Partner

By: [Signature]
Its: Authorized Representative

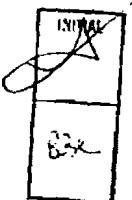


Exhibit A-2

Location #437
8929 E. Indian Bend Rd.,
Scottsdale, AZ

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE ("Assignment") is made as of May 1, 1994, by and between CIRCUIT CITY STORES, INC., a Virginia corporation ("Assignor"); and CIRCUIT CITY STORES WEST COAST, INC., a California corporation ("Assignee").

RECITALS:

A. Assignor is the lessee under that certain lease or sublease described in Exhibit A attached hereto (as now or hereafter amended, "the Lease") for the premises described in the Lease (the "Leased Premises").

B. Assignee is a wholly-owned subsidiary of Assignor.

C. Assignor desires to assign its right, title and interest in the Lease to Assignee, and Assignee desires to accept such assignment and assume the performance of all of Assignor's obligations under the Lease on the terms set forth herein.

AGREEMENTS:

NOW, THEREFORE, it is mutually agreed among the parties as follows:

1. As of the date hereof, Assignor assigns, transfers, sells and conveys to Assignee (a) all of Assignor's right, title, interest and estate in and to the Lease and (b) all of Assignor's other rights, title and interest with respect to the Leased

Premises, including without limitation, all licenses, rights, permits, warranties and entitlements applicable to the Leased Premises.

2. As of the date hereof, Assignee accepts said assignment and expressly assumes the payment and performance of all of Assignor's obligations under the Lease arising from and after the date hereof.

3. Notwithstanding anything to the contrary contained herein, Assignor shall not be released from the performance of the lessee's obligations under the Lease, and Assignor shall remain primarily liable for said performance, including without limitation, the payment of all rent and the performance of all of the lessee's other obligations throughout the remainder of the term of the Lease.

4. Assignor warrants that it has good and marketable leasehold title to, and lawful possession of, the Leased Premises pursuant to the Lease. Assignor shall indemnify, defend and hold harmless Assignee from and against any loss, damage, claim, cost or expense (including reasonable attorneys' fees and litigation expenses) incurred or suffered by, or asserted against, Assignee as a result of a breach by Assignor of the foregoing warranty of title contained herein.

5. This Assignment shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

WITNESS the following signatures.

ASSIGNOR:

CIRCUIT CITY STORES, INC.

By: P. Dunn

Title: Treasurer

ASSIGNEE:

CIRCUIT CITY STORES WEST
COAST, INC.

By: P. Dunn

Title: Treasurer + CFO

EXHIBIT A

The lease dated May 24, 1989 for the following premises between Vestar Development Co. and Circuit City Stores, Inc. as now or hereafter amended:

**Location #437
8929 E. Indian Bend Road.
Scottsdale, AZ**